

MINUTES
STATE BOARD OF FINANCE
June 28, 2011
OFFICE OF THE OMB
STATE HOUSE ROOM 212

Members in Attendance:

Adam Horst, SBA Director
Kirke Willing, Deputy Auditor
Richard Bramer, Chief Deputy Treasurer

Also in Attendance

Jay Collins, Budget Agency
Melissa Ambre, Department of Education
Kathy Frick, Auditor's Office

CALL TO ORDER

Deputy Auditor Kirke Willing moved to approve the minutes from the May 17, 2011 meeting, Chief Deputy Treasurer Richard Bramer seconded, and the minutes were unanimously approved.

INDIANAPOLIS DESEGREGATION DISTRIBUTIONS (17840/11300)

A request was made by the Department of Education Request for the Desegregation distributions to the following Indianapolis School Corporations effective July 1, 2011. The July quarterly installment for desegregation represents one-fourth of the estimated expenses for 2010-2011 and totals \$6,857,461.19. These claims were submitted by seven public school corporations under the Order. Transfer tuition comprises \$4,224,188.51. The residual, \$2,633,272.68 is transportation, other desegregation costs and transition support.

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|--------------------------------|---------------------|
| <u>MSD Decatur Twp. 5300</u> | |
| Transfer Tuition | \$419,593.89 |
| Regular Transportation | 30,791.10 |
| Extracurricular Transportation | |
| Other Desegregation Costs | <u>305,731.47</u> |
| Total | \$756,116.46 |
| <u>Franklin Township 5310</u> | |
| Transfer Tuition | \$318,893.04 |
| Regular Transportation | 42,071.93 |
| Other Desegregation Costs | <u>223,139.49</u> |
| Total | \$584,104.46 |

| | |
|---------------------------------|-----------------------|
| <u>MSD Lawrence Twp. 5330</u> | |
| Transfer Tuition | \$247,664.57 |
| Regular Transportation | 8,058.66 |
| Other Desegregation Costs | <u>84,603.64</u> |
| Total | \$340,326.87 |
| | |
| <u>MSD Perry Twp. 5340</u> | |
| Transfer Tuition | \$1,109,847.23 |
| Regular Transportation | 365,297.39 |
| Other Desegregation Costs | <u>538,859.32</u> |
| Total | \$2,014,003.94 |
| <u>MSD Warren Twp. 5360</u> | |
| Transfer Tuition | \$691,351.26 |
| Regular Transportation | 27,481.36 |
| Other Desegregation Cost | <u>160,613.96</u> |
| Total | \$879,446.58 |
| <u>MSD Wayne Twp. 5375</u> | |
| Transfer Tuition | \$1,436,838.52 |
| Regular Transportation | 199,100.80 |
| Other Desegregation Costs | <u>335,023.56</u> |
| Total | \$1,970,962.88 |
| <u>Indianapolis Public 5385</u> | |
| Transition Support | <u>\$312,500.00</u> |
| Total | \$312,500.00 |

Pursuant to the Federal Court Order, section 5(a)(1), the State shall repay itself from the state support due the Indianapolis Public School the lesser of the total amount of transfer tuition payable to all receiving corporations or certain state and local revenues for the students transferred. Accordingly, the July tuition support payment to the Indianapolis Public Schools will be decreased by \$ 2,359,987.20

Director Adam Horst moved to approve the distributions as set forth in the agenda, Deputy Auditor Kirke Willing seconded, and the distributions were unanimously approved.

TRANSFER OF FUNDS TO THE OFFICE OF FAITH BASED AND COMMUNITY INITIATIVES

The Department of Homeland Security (DHS) requested that \$541,564.00 be transferred from the Disaster Recovery Award (Fund 46590) to the Office of Faith Based and Community Initiatives (OFBCI) (Fund 44385). The transfer is supported by an MOU between DHS and OFBCI to administer grants to Community Organizations Active in Disaster (COAD). These grants are related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by floods and natural disasters occurring during 2008.

Deputy Auditor Kirke Willing moved to approve, Chief Deputy Richard Bramer seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO BUREAU OF MOTOR VEHICLES

PL 145 (SEA 127-11) transfers responsibility for the Motorcycle Safety Program from the Department of Education (DOE) to the Bureau of Motor Vehicles (BMV) effective January 1, 2012. The DOE and the BMV have agreed to transfer the responsibilities for this program on July 1, 2011. The DOE requested \$984,030.00 be transferred from the Motorcycle Operator Safety Education Fund (Fund 31510) to the BMV Motorcycle Operator Safety Education Program (Fund 43210). The transfer is supported by PL 145-2011 (SEA 127-11) and PL 229-2011 (HEA 1001-11). These funds are used to promote Motorcycle Safety programs throughout the State.

Deputy Auditor Kirke Willing moved to approve, Chief Deputy Richard Bramer seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE OFFICE OF MEDICAID POLICY AND PLANNING

The Department of Education is requested a transfer of \$276,584.06 from the Tuition Support Fund (14930) to the Family and Social Services Administration's Office of Medicaid Policy and Planning (Fund 15050). Per an MOU between the two agencies, the Department of Education is to transfer the quarterly state match for Medicaid reimbursed services back to OMPP. The total state share for FY11 Q1-Q3 is \$276,584.06.

Deputy Auditor Kirke Willing moved to approve, Chief Deputy Richard Bramer seconded, the transfer was unanimously approved.

TRANSFER OF FUNDS TO THE STATE BUDGET AGENCY

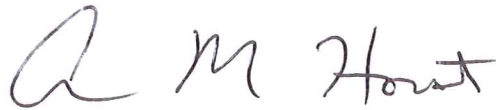
The State Budget Agency (SBA) requested the transfer of \$8,600,000 from the Family and Social Services Administration's (FSSA) Division of Aging's In-Home Services (CHOICE) fund (15770) to the Indiana Comprehensive Health Insurance Association (ICHIA) fund (17070), which is a biennial appropriation made to SBA. This amount represents a portion of FSSA's overall 15% reserve for FY 2011. The ICHIA program operates as a safety net for Indiana's uninsurable, and the state is required to pay for 75% of the program's net losses (premiums minus expenses). For this biennium, the state's share of ICHIA's net losses exceeds the biennial appropriation of \$77,000,000 by \$30,844,074.25.

Chief Deputy Treasurer Richard Bramer moved to approve, Deputy Auditor Kirke Willing seconded, the transfer was unanimously approved.

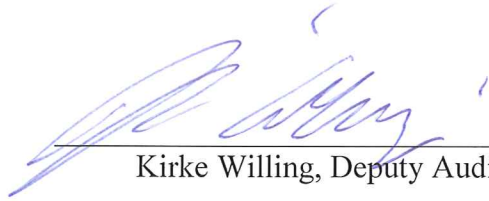
NEW OR OTHER BUSINESS

No new business was brought before the Board.

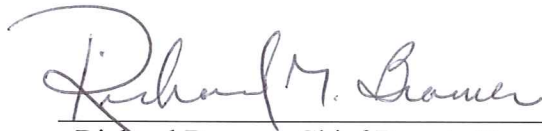
ADJOURNMENT

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Adam Horst, SBA Director

Handwritten signature of Kirke Willing in blue ink.

Kirke Willing, Deputy Auditor

Handwritten signature of Richard M. Bramer in black ink.

Richard Bramer, Chief Deputy Treasurer